

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER 00-13	2. STATE: ILLINOIS
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: 10-01-00	

5. TYPE OF PLAN MATERIAL (Check One)

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

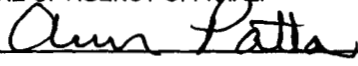
6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a)(13) and Section 1905(a)(2)(c) of the Social Security Act	7. FEDERAL BUDGET IMPACT a. FFY <u>00</u> \$ <u>0</u> b. FFY <u>01</u> \$ <u>0</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4/19A-Pages 50,51	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4/19A-Pages 50,51

10. SUBJECT OF AMENDMENT:


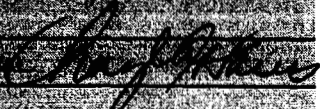
11. GOVERNOR'S REVIEW (Check One)

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:
Not submitted for review by prior approval.

12. SIGNATURE OF AGENCY OFFICIAL: 	16. RETURN TO: ILLINOIS DEPARTMENT OF PUBLIC AID 201 SOUTH GRAND AVENUE, EAST SPRINGFIELD, IL. 62763-0001 ATTENTION: John Rupcich
13. TYPED NAME: Ann Patla	
14. TITLE: DIRECTOR	
15. DATE SUBMITTED 12-22-00	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 12/22/00	18. DATE APPROVED: 
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/1/00	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Cheryl A. Harris	22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health
23. REMARKS:	

STATE OF ILLINOIS

METHODS AND STANDARDS FOR ESTABLISHING INPATIENT RATES FOR HOSPITAL REIMBURSEMENT: MEDICAL ASSISTANCE-GRANT (MAG) AND MEDICAL ASSISTANCE-NO GRANT (MANG)

- 10/93 B) The percentage increase in the statewide average hospital payment rate, as described in Section C.8.h. of this Chapter, over the previous year's statewide average hospital payment rate.
- 07/95 vi. The amount calculated pursuant to Section C.7.a. above for a hospital described in Section A.1.a.i. of Chapter XVI, shall be no less than the DSH rates in effect on June 1, 1992, except that this minimum shall be adjusted on the first day of July of each year by the annual percentage change in the per diem cost of inpatient hospital services as reported on the two most recent annual Medicaid cost reports. The per diem cost of inpatient hospital services is calculated by dividing the total allowable Medicaid costs by the total allowable Medicaid days.
- 07/95 vii. The amount calculated pursuant to Sections C.7.a. and C.7.b.ii. through C.7.b.v. of this Chapter as adjusted pursuant to Sections C.7.d. and C.7.e. shall be the inpatient payment adjustment in dollars for the applicable DSH determination year, subject to the limitations described in Sections C.7.b.iv. and C.7.f. of this Chapter, and the adjustment described in Section C.7.b.vi. above. The adjustments calculated under Sections C.7.a. and C.7.b.ii. through C.7.b.vi. of this Chapter shall be paid on a per diem basis and shall be applied to each covered day of care provided.
- =10/00 c. Department of Human Services (DHS) State-Operated Facility Adjustment for Hospitals defined in Chapter XVI, Section A.7. Department of Human Services' State-operated facilities qualifying under Section C.1.b., shall receive an adjustment effective for inpatient services on or after March 1, 1995. Effective October 1, 2000, the amount of that adjustment payment shall be calculated as follows.
- =10/00 i. The amount of the adjustment is based on a State DSH Pool. The State DSH pool amount shall be the lesser of the federal DSH allotment for mental health facilities as determined in section 1923(h) of the Social Security Act, minus the estimated DSH payments to such facilities that are not operated by the State; or the result of calculated by subtracting the estimated DSH payment adjustments made under Sections C.7.a through C.7.b. of this Chapter, and Chapter XIV, Section F.2. from the aggregate DSH payment allotment as provided for in section 1923(f) of the Social Security Act adjustment set by the Health Care Financing Administration (HCFA) in accordance with Public Law 102-234.

TN # 00-13

APPROVAL DATE

EFFECTIVE DATE 10-1-00

SUPERCEDES

TN # 98-13

STATE OF ILLINOIS

METHODS AND STANDARDS FOR ESTABLISHING INPATIENT RATES FOR HOSPITAL REIMBURSEMENT: MEDICAL ASSISTANCE-GRANT (MAG) AND MEDICAL ASSISTANCE-NO GRANT (MANG)

==10/00

- ii. The State DSH Pool amount is then allocated to hospitals defined in Chapter XVI, Section A.7. that qualify for DSH adjustments by multiplying the State DSH Pool amount by each hospital's ratio of uninsured care costs, from the most recent final cost report, Medicaid inpatient utilization ~~(adjusted based upon historical utilization and projected increases in utilization)~~ to the sum of all qualifying hospitals' uninsured care costs Medicaid inpatient utilization.

07/95

- iii. The adjustment calculated in Section C.7.c.ii. of this Chapter shall meet the limitation described in Section C.7.f.iv. of this Chapter.

==10/00

- iv. The adjustment calculated pursuant to Section C.7.c.ii. above, for each hospital defined in Chapter XVI, Section A.7. that qualifies for DSH adjustments, is then divided by four the Medicaid inpatient utilization data ~~(adjusted based upon historical utilization and projected increases in utilization)~~ to arrive at a quarterly per day adjustment. This amount is subject to the limitations described in Section C.7.f. of this Chapter. The adjustment described in this Chapter shall be paid on a quarterly per diem basis ~~and shall be applied to each Medicaid covered day of care provided.~~

07/95

- d. Inpatient Adjustor for Children's Hospitals. For a children's hospital, as defined in Section C.1.e. of this Chapter, the payment adjustment calculated under Section C.7.b. above shall be multiplied by 2.0.

07/95

- e. Inpatient Adjustor for Hospitals Organized Under the University of Illinois Hospital Act. For a hospital organized under the University of Illinois Hospital Act, as defined in Section A.1.a.ii. of Chapter XVI., the payment adjustment calculated under Section C.7.b. above shall be multiplied by 1.50.

TN # 00-13

APPROVAL DATE

FEB 14 2001

EFFECTIVE DATE

10-1-00

SUPERCEDES

TN # 95-22